Later references:

Govt 70 — 23. Sls. 6 & 7
Ymi 128-26 (142)
M/y 140-32 Sl 1-2
" 140-32 " 3-4
G.M. 111-38, Sl 1.
" 42-39, " 1-2

GENERAL AND REVENUE SECRETARIAT

Serial Nos. Two (2)

Part B for March 1924

SUBJECT

Rules of procedure of Stores purchase committee

Sl 2 To The Heads of Depts
The Secretary, Stores Purchase committee
The Controller to Govt
The Secretaries to Govt
The Deputy Commissioners of Districts
No 6/3082-140/— dt 28-3-1924

Forwards copies of approved rules in Sl(2), which is included in the collection. —

Rangalaraspar

G. R. S. 11] 1913.

GENERAL AND REVENUE SECRETARIAT.

(f.m.)

NOTES.

File No. 170-23

FILE HEADING.

Rules of procedure of the Stores purchase committee -

From

The Secretary Stores purchase committee

No. 670 Dated 4th Feb 1924 Received 6th Feb 1924

Diary No. 4648	Enclos. 1	Spare Copies. -	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Forwards for approval or other orders of Govt. a draft set of rules framed by the Stores purchase committee - re functions & procedure of the committee -

NOTES AND ORDERS.

x Flag L. Submitted with a copy of f.o. No. S. 61-120/f.m. 181-23-1 dated 22nd October 1923 Constituting the Stores purchase committee.

Flag M. The previous rules issued from Financial Branch in f.o. No. Fl 3238-87/S.F. 10-17-47 dated

NOTES—First Sheet.

Serial No.

4th January 1918 are also put up

3) In rule 16 of the draft rules it is stated that a register will be maintained by the Secretary under the various heads of supply of well known firms who are known to be willing and be able to execute contracts. The previous rules lay down that purchases should be made from firms which have been approved by Govt: (vide rules 4 & 5 of the previous rules).

4) Under the previous rules, applications for inclusion in the approved list of firms should be made to Govt: (vide rule 5)

5) It is for consideration whether a consolidated set of rules similar to the previous rules of 4th January 1918 and making provision for what periodical returns should be submitted by the Secretary Stores purchase committee as ordered by the Chief Secretary in the linked file may not be called for from the Secretary Stores purchase committee on receipt of classified list of articles

* Flag Y.

NOTE—Contn. sheet.

General and Revenue Secretariat. | File No. 178 of 1923.

Serial No.

required by all Heads of Depts: as directed in para 9 of Govt order dated 22nd October 1923.

6) May the Financial Branch also be consulted?

7) What periodical returns should be prescribed for submission to Govt by the Committee, so that Govt might be in touch with the Committee's work, is a matter for consideration. Subn with the file relating to the appointment of messrs Rendell, Palmer & Tritton as Consulting Engrs.

8) It is said in Rule 3, that the Annual Indents should be sent to the Committee before 1st March each year. I presume that the indent is for articles required for the coming year. The budget is issued only at the end of June, ~~and accordingly~~ It is not clear how the indents could be prepared without knowing the allotments in the Budget. Hon. Mr. S. Ramachandra Rao

File is not available
A Reminder copy of G.O. No. 5550 dated 10-9-23
G.O. No. 4 dated 10.9.1923 is put up
(Files J)

NOTE—Contn. sheet.

General and Revenue Secretariat. | S.M. File No. 170 of 1923.

Serial No.

has sent word to say that 1st March was fixed in at the instance of certain Heads of Depts who are on the Committee

9) The other Rules seem to be all right.

10) Unless the Rules are approved, the question as to the Periodical Returns may be taken up.

Chief Secy). Early 14/2

11) Maybe sent to H. Secy for minutes suggestions if any 14/2 Early

Early 18/2

H. Secy with Compts).

12) Rule 2 (i).- It would be well if the following words are added at the end of this rule: "and with reference to factors, if any, which justify an increase or decrease compared with the average". The previous average is the general guide and there may be cases which warrant an indent being more or less than the average and hence the addition suggested.

Fd 1552-23

45

NOTE—Contn. sheet.

Rule.3.

General and Revenue Secretariat. | G.M. File No. 170 of 19 23.

Serial No.

13) Rule 3.- Indents should have reference to sanctioned grants. The object with which 1st March is proposed is evidently that the supplies may be received from about the beginning of the official year. I do ~~x~~ not think it is always safe to depend upon supplies to come from the beginning of a year. The normal arrangement, wherever possible, should be to hav the supplies for a short period carried over from th previous year. Roughly, the requirements of a quart may be considered as sufficient for this purpose and if a quarter's stock is carried on, indents can well be sent about the beginning of July and be based upo the sanctioned budget.

14) Rule 8.- As regards budget grant, three ~~conditi~~ conditions have to be imposed: (1) that they a r e avaialble, (2) that they are set aside, and, (3) tha they will not be otherwise utilised. As regards con dition No.(1) it is well to get certificates from th Audit Office as well. Excess ~~es~~ over appropriations wi hereafter have to be reported to the Legislative Cou cil and it is, therefore, necessary to get, wherever possible, the certificate of the Audit Office that condition No.(1) is complied with. These points may be provided for in this rule.

15) Rule 16.- The list of approved firms is now kep in the Financial Branch. This list is really requir

ed

NOTE—Contn. sheet.

Serial No.

required for use by the Stores Purchase Committee and the Committee also is in a better position to deal with applications for registration. The present list may be transferred to the Committee which may be authorised to deal with future applications for registration.

16) Rule 17.- The expression "comparatively small supplies" is indefinite and if possible, some money limit may be imposed to define cases in which competitive tenders need not necessarily be invited.

17) Rule 35.- The third sentence of this rule refers to cases of payment against shipping documents or by instalments but provides for watching deliveries in instalments. Perhaps the whole sentence has deliveries in view.

18) Form B.- The object of column 10 is not clear as it is apparently not the intention to send quotations to the indenting officer for accpetance.

19) I do not know whether under the new arrangement the Stores Purchase Committee or the Department concerned should be held responsible for seeing that the rate of Customs duties paid is not more than what is payable under the law and that claims for refunds are preferred in time. The Committee is probably in the best position to handle this matter and it will be well to add a rule to define its responsibility in this respect.

NOTE—Contn. sheet.

General and Revenue Secretariat.

File No. 170 of 1923.

Serial No.

20) Submitted with reference to para 11 supra

21/2 (Chief Secy) 22/2

21) A revised set of rules may be prepared on the lines the Secy's note & Secretary Purchase Committee may be consulted in, if its remarks if any

22/2

22) A revised set of rules as ordered above is put up. Additions and alterations referred to in the note of the Financial Secretary are shown in red ink in the revised set.

23) Remarks referred to in para 18 supra about ~~the~~ column 10 in ~~the~~ Form B have not been incorporated. ~~They will~~ This point will be cleared up ~~if approved, be conveyed in a covering letter forwarding the revised set of rules to the Secretary Stores purchase committee, or may~~ when the file ~~be~~ is referred unofficially to the Secretary Stores purchase committee.

24) Subd: for orders.

25/2

NOTE—Contn. sheet.

General and Revenue Secretariat.

File No. 170 of 1923.

Serial No.

U.O. No. 63/fr of 26 2/24

15) Forward U.O with Comts to the Secy, Stores Purchase Committee, for remarks if any

B.O.

26.2.24. for Chief Secy

Recd 26/2/24

26) The Financial Secy's suggestions regarding modifications of Rules 2(i), 3, 8 & 16 may be accepted.

27) Rule 17. If some money limit is to be indicated in this rule such limit may be fixed at Rs 2500. According to the fr of 22.6.23 the heads of depts can themselves purchase, without reference to the Committee, goods where the value is less than Rs 1000.

28) Rule 35. No revision of the third sentence of this rule seems to be necessary. The whole sentence has reference to watching deliveries both in cases when payment is made against shipping documents & also where payment is made in instalments.

29) As regards Customs duties the indent departments would have to specify under what clause of the

32) I agree except as regards Rule 8. I think the proposal for the audit officer being done with undue delay & inconvenience to the Certificate? and practitioner & may lead to delay & inconvenience

dc

33) The modifications proposed for Rule 7 may be accepted.

34) I agree

dc

NOTE—Contn. sheet.

Serial No.

Clause in Schedule the goods indented for will fall. To ascertain this correct specifications would have to be given. Such ~~practice~~ a procedure ~~was~~ is being adopted by the Chief Electrical Engineer when sending his indents. Similar procedure will be adopted in the case of the other departmental indents also. The proposed addition to Rule 35 may therefore stand.

25) I agree

30) Form B. Col 10. There is no objection to omit this column. ~~Accordingly deleted~~

31) The file will if approved be resubmitted to the Chief Secy with the above remarks.

Mdg
27.2.24

728
27.2.24

President)

37) Please see my marginal remarks above

Dr
27/2

Mdg
28/2/24

Chief Secy)

38) Please further revise amendment & submit a typed copy

S
3/3

39) Put up 2 typed copies as usual

Revised Mdg
4/3/24

NOTE—Contn. sheet.

General and Revenue Secretariat.

File No. 170 of 1923.

Serial No.

40) A typed copy of the draft rules is certainly all the revision is present.

8.3.24

Chief Sec)

41) will issues please attend to?

11/3

Orly

42) I have gone through the Rules & made marginal Notes wherever necessary.

Orly 11/3

Chief Secy)

Rec'd on 13/3/24

Orly

DEPUTY'S OFFICE,
Rec'd on 15. MAR. 1924
Dept. No. 656

43) The rules as revised may be approved

15/3

Secy) 44) Approved. Issue. Printed copies may be supplied to heads of depts

15.3

15/3 Orly 25/3

Read in Fin Branch 25/3

25/3

45) Draft for. Subd: for appl.

Orly 26/3

26/3. Chief Secy).

27/3 Orly 27/3.

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

G. M. - File No. 170 of 1923.

Serial No.	
2.	To The Heads of Depts. " Secretary Stores Purchase Committee " Comptroller ~~to~~ Govt " Secretaries to Govt. " D. C's of Dts: G. 13082-140 dt 28. 3. 1924 Approves of the rules refd. to above

NOTE—Contn. sheet.

23180

GOVERNMENT OF MYSORE.
Stores Purchase Committee.

Sm 2648

S.M. 170-23-1

Tel. Address: "STORESEC",
Code: "Bentley's".

No. S.P.C. 670
Encl. rules.

Office of the Secretary,
Stores Purchase Committee, Public Offices,
Dated, Bangalore, the 4th February 1924.

From

M.S. RAMCHENDRA RAO, Esq., B.A.,
Secretary, Stores Purchase Committee,
Public Offices, Bangalore.

6 FEB 1924

To

K. Matthan, Esq., B.A.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore, Bangalore.

Sir,

I am directed to forward herewith for the approval or other orders of the Government a draft set of rules, framed by the Stores Purchase Committee, re: the functions and Procedure of the Committee in so far as relates to the purchase and supply of stores for the departments of Government. The rules were considered at two meetings of the Committee who recommend their adoption in present form, subject to such modifications as the Government may deem it necessary to make.

I have the honor to be,

S i r,

Your most obedient servant,

M Ramchendra Rao
Secretary,
Stores Purchase Committee.

D.N.

GOVERNMENT OF MYSORE.

Stores Purchase Committee.

Functions and Rules of Procedure of the

Stores Purchase Committee.

I. INTRODUCTORY.

1. The work of the Stores Purchase Committee begins when a demand for stores is received from an indenting officer or department. The Committee will thereafter proceed to purchase the stores in the manner to be indicated below and arrange for their delivery to the indenting department and obtain a certificate as to their correctness and quality.

II. PROCEDURE PRELIMINARY TO PURCHASE.

(A) Time and manner of preparation of indents:-

2. Indents received from the Government Departments may be:-

(i) Anhual indents, i.e., statements showing the demand for various classes of goods usually required by the department for the year. These annual indents which will comprise the bulk of the items required to be purchased by the department each year should be prepared on the basis of the consumption during the previous three or five years and with reference to factors, if any, which justify an increase or decrease compared with the average.

(ii) Urgent demands:- Indents relating to urgent demands which may arise at any time in the course of the year.

3. Annual indents should be prepared by each department and sent to the Stores Purchase Committee before the 1st July each year. These indents should be based upon the Department's budget and should be prepared allowing for the carrying over of stock for at least one quarter of the succeeding year.

4. Urgent indents may be sent at any time during the year as need arises but such indents should, as far as possible, be kept at a minimum.

5. Except in the case of sudden emergency which it may not be possible to foresee, a period of at least 3 months should invariably be allowed between the date the indent will reach the Stores Purchase

Purchase Committee and the date on which it is desired that the Stores should be delivered to the indenting department.

6. In the case of ordinary articles manufactured by more than one firm and required for ordinary purposes, indenting officers should enter in their indents only the names of the articles they require. There is however no objection to their naming in notes explanatory of their requirements the makes or brands which the supplies should resemble. They should also invariably explain the purposes for which the articles indented for are required and whenever practicable they should state the latitude that may be allowed to the Committee in varying the items.

7. In the case of articles of special character or required for a special purpose which for certain reasons it is considered necessary to obtain from a particular maker or of which a particular maker makes a speciality, the name of such maker or firm from whom it is desired to obtain the articles should be given in the indent with reasons therefor.

B. SANCTION FOR INDENTS AND ALLOTMENT OF PROVISION TO MEET COST.

8. The responsibility for obtaining competent sanction for the purchase of stores in each case will entirely rest on the indenting officer who will in forwarding the indent to the Stores Purchase Committee clearly specify whether the sanction of Government or other competent authority to the purchase has been accorded to the purchase He will also be responsible to see that the budget grant equivalent to the cost of purchase as estimated by him will be made available

~~[illegible]~~ are set aside for the purpose and are not otherwise utilized therein.

9. (a) Indents for Indian made articles should be prepared and submitted in Form A appended to these rules.

(b) Indents for the purchase of foreign articles shall be sent in Form B appended to these rules.

10. Every indent for local or foreign purchases should be -

accompanied by a programme of supply and an estimate of cost involved

C. TREATMENT OF INDENTS BY THE COMMITTEE.

11. On receipt of the annual indents from the several departments, the Secretary to the Stores Purchase Committee will proceed to classify the articles and consolidate them into distinct groups, each suitable for a separate contract with a view to placing bulk orders as far as possible.

12. In the case of such articles as cannot be bulked, purchases may be made as separate item, if the Committee considers such action necessary.

13. The Committee may at any time call upon the departments to furnish particulars of purchases made by them directly and without reference to the Committee.

III. PROCEDURE REGARDING PURCHASE.

14. The following procedure will be adopted by the Stores Purchase Committee in purchasing the stores:--

Except in the cases enumerated in Rules 26, 27 and 28 below, all purchases shall be made by inviting tenders which may be:--

(1) by advertisement (open tender), or

(2) by invitation to a limited number of Firms (limited tender), or

(3) by invitation to one Firm only (single tender or private purchase).

15. It will be within the discretion of the Committee to decide which of the above three ways shall be adopted in the case of any particular purchase.

16. For the purpose of inviting limited or single tenders, a register will be maintained by the Secretary under the various heads of supply of well known firms who are known to be willing and able to execute contracts. A selection of the firm or firms to whom invitation

invitation should be sent shall be made from such register. Action shall be taken to maintain full and efficient lists and every encouragement given to firms desirous of having their names registered after ascertaining their ability to execute contracts satisfactorily.

17. Competitive tenders shall be invited except in the case of :-

(a) Patents and specialities,

(b) Comparatively small supplies,

(c) Highly finished work such as surgical and scientific apparatus.

In the case of these, single tenders may be invited from - thoroughly reliable firms.

18. As far as possible arrangements shall be made for calling tenders simultaneously in Europe and India.

19. In the case of competitive tenders, a day and hour will be fixed by which time the tenders should be received. They shall be opened under the supervision of the President of the Committee. Single tenders may be opened as received. The quotations will then be checked and abstracts of each set of tenders prepared by the - Secretary for being placed before the Committee for consideration.

20. After examination by the Committee of the abstracts of tenders received and comparing the price with the indent estimate of cost and after consulting, if need be, the indenting department concerned, the Committee shall decide which tender shall be accepted.

21. When time does not permit of the Committee being consulted in regard to the acceptance of a tender, the President of the Committee shall decide the question in consultation with the head of the - indenting department concerned or where even such a course is not possible on his sole authority. All cases in which the President exercises this power shall be placed before the Committee for information at the next meeting.

22. When a tender has been accepted, both the firm whose tender is accepted as also the firms whose tenders are not accepted shall as soon as possible be informed to that effect.

23. When a tender is accepted, the conditions shall be embodied in a formal contract providing for the necessary penal clauses for breach of conditions. Copies of such contracts shall be supplied to the Audit Office and to the indenting department concerned.

24. The Committee may arrange for running contracts in the case of such articles as are in demand throughout the year. Such contracts shall provide for variation in the quantity of supplies up to 50 per cent and for supplies being made periodically at reasonable notice.

25. In purchasing stores, preference shall as far as possible be given firstly to articles of Mysore production and next to articles produced or manufactured in other parts of India provided that prices and quality compare favourably with articles of similar quality - obtainable from outside Mysore or India as the case may be.

26. In the case of all articles to be obtained from abroad, - arrangements for their purchase shall generally be made through the Consulting Engineers and Home Agents to Government in London in - accordance with the agreement entered into with the Firm by the - Government.

27. In special cases, however, such orders may be placed directly with the supplying firm or firms.

28. The Committee may, for sufficient reason, purchase imported stores in India instead of obtaining them through the Consulting - Engineers in London or obtain them from the manufacturers abroad directly or their branch offices or agents in India.

IV. RULES RE: CORRESPONDENCE WITH CONSULTING ENGINEERS ETC. BY HEADS OF DEPARTMENTS.

29. Under the Standing Orders of Government, all indents for stores to be purchased abroad, whether their value is within or in excess of the powers of sanction of the indenting officer, as also all indents for articles to be purchased locally when the value of the articles to be so purchased exceeds the limit of value prescribed by the Government should be sent to the Stores Purchase Committee for execution.

30. When information regarding ruling prices of plant, machinery or other equipment is required for the preparation of any estimate or project or when the opinion or advice of the Consulting Engineers as such or other manufacturing firms is required for the preparation of drawings, designs, specifications or selection of equipment in connection with railways, electrical plant or other engineering enterprises, the heads of the technical departments may correspond directly with the Consulting Engineers, or other manufacturing Firms.

31. After the estimates or projects have been prepared and sanctioned, all further action in respect of the purchase of stores etc., shall be taken through the Stores Purchase Committee and all correspondence relating to such purchases shall invariably be conducted only through the Committee.

32. Any information which the departments may secure regarding firms known to be able to supply the stores required by them as also any quotations obtained by them shall be placed at the disposal of the Committee.

V. WATCHING OF EXECUTION OF CONTRACTS.

33. The Secretary to the Committee shall watch delivery under each contract until it is completed. If delay occurs or is likely to occur in delivery, the Committee may extend the time if it considers

considers such extension can be permitted. The Committee shall also be competent to decide whether penalties for delay in accordance with the terms of the contract should be enforced or not and also whether the contract should be cancelled and purchase made against the - defaulting contractor.

VI. SHIPPING DOCUMENTS.

34. In all cases in which stores are purchased abroad, arrangements shall be made to obtain three sets of shipping documents. One set shall be caused to be forwarded at the earliest possible date to the Receiving Agents to be appointed by the Committee, one set will be caused to be similarly sent to the indenting officer and the third set to the Secretary to the Committee. On receipt of the shipping documents, the indenting office may issue such instructions as he considers necessary to the Receiving Agents in the matter of the - transmission of packages, customs duty to be paid etc., copies of such correspondence being simultaneously forwarded to the Secretary.

VII/ P A Y M E N T.

35. Invoices (shewing the cost of the stores including packing and freight) and bills for the supply of stores shall be obtained in duplicate by the Secretary to the Committee and forwarded to the indenting officer for verification that the stores for which payment is claimed are satisfactory and correct as to quantities and have been received and taken to stock. One set of the invoice and the bill will be retained by the indenting officer and the other set with the certificate as above will be returned without delay to the Secretary who will forward them to the Comptroller for arranging payment. In cases where payment against shipping documents or by instalments is stipulated in a contract, the Secretary shall watch deliveries until the contract is fully and satisfactorily executed. Every care shall be taken that payment is arranged for only in accordance with the - terms of a contract and that no delay occurs in payment involving the

the payment of interest on such delayed payments.

VIII. EXEMPTIONS FROM THE STORES PURCHASE RULES.

36. The Committee may exempt any particular class or classes of stores from the operation of these rules and also fix a financial limit within which purchases of such goods may be made without reference to the Committee.

IX. POWERS OF THE PRESIDENT OF THE COMMITTEE.

37. In cases of emergency where it is not possible to obtain the views of the Committee on any particular question or questions, the President shall be competent to decide such questions and take all such action as he deems necessary on behalf of the Committee.

Morgan Stanley

The Committee shall ensure that appropriate rate of customs duty leviable under the law is paid ~~on~~ on stores & that claims for refunds are pursued in time.

G.R..S VI G 34]

SUBJECT..... Rules re functions & procedure of the Stores purchase Committee

Diary No. of letter replied to..1648.....

General and Revenue Secretariat

( )

, *the* *192*

Date of issue..... 28.3.24 Flag L

Signed by..... Mr. C.S.K

May this be

i Printed ? Yes

ii treated as a standing order ? Yes

iii published in the Gazette, English Part ? No

iv translated ? No

v placed at the disposal of the press ? No

vi published in the Gazette, Kannada Part ? No

Section S.Sm.

File No. 170 - 23.

Serial No. 1

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read—

1) Govt: order No. S. 61-120/S.Sm. 161-23-1 dated 2nd October 1923 appointing a Stores purchase committee for the purchase of foreign articles required for all Govt: departments of the State.

2) Letter No. S.P.C. 670 dated 4th February 1924 from the ~~Order Thereon No.~~ Secretary, Stores purchase Committee, forwarding for approval ~~or other orders~~ a ~~draft~~ set of rules re The functions and procedure

of the Committee in so far as they relate to the purchase and ~~of~~ supply of Stores for the several departments of Govt.

Order No G/3082-140 dt. 28-3-24
The rules as slightly revised are approved and
~~The rules are~~ printed ~~and~~ as an annexure to this order ~~for information and guidance~~ the
for guidance of all officers concerned.

Confd
26/3

Chief Secretary to Govt.

To G-26/3
The Heads of Depts:
The Secretary Stores purchase Committee.
" Comptroller to Govt.
" Secretaries to Govt.
" D.C's of Districts.

List of enclosures.
~~Copy forwarded~~

Copied by

Examined by

WD 1888—GPB—1,000,00—21-12-21

Government of His Highness the Maharaja of Mysore

General & Revenue Secretariat.

OFFICE OF THE SUPERINTENDENT
No 6486
29-7-24
BANGALORE
GOVERNMENT PRESS

Stores purchase Committee

Approves of the rules of procedure and ~~in regard to the functions and procedure of the~~ ——— Bangalore —

Govt. order No. S. 13082-13140 Dated. 28th March 1924.
S. Sn. 170-23-2.

(i) Is the order to be printed? Yes

(ii) Is it to be published in gazette, English? No

(iii) . . . . . Kannada? No

(iv) Is it to be treated as a Standing order? Yes

(v) No of Spare copies required.
70 unsigned + 350 signed copies.
Original copy of the rules may be returned with the printed copies.

Very urgent

W D Robertson

Only

27/3

Rec'd 27/3

Ltd 1936
350 signed copies
70 unsigned copies

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read:-

Government Order No.G.61-120/G.M.121-23-1 dated 22nd October 1923 appointing a Stores Purchase Committee for the purchase of foreign articles required for all Government Departments of the State.

2. Letter No.S.P.C.670 dated 4th February 1924 from the Secretary, Stores Purchase Committee, forwarding for approval a set of rules re: the functions and procedure of the Committe in so far as they relate to the purchase and supply of stores for the several departments of Government.

Order No. G. 13082-13140/S. Sr. 170-23-2

Dated Bangalore, the 28th March 1924.

The rules, as slightly revised, are approved and printed as an annexure to this order for the guidance of all the officers concerned.

Sd) K. Matthan
Chief Secretary to Government.

To

The Secretary, Stores Purchase Committee.
" Heads of Departments.
" Comptroller to Government
" Secretaries to Government.
" Deputy Commissioners of Districts.

Press copy.

By order

B.R.M.

For Chief Secretary to Govt

GOVERNMENT OF KENYA.

Stores Purchase Committee.

--:o:--

FUNCTIONS AND RULES OF PROCEDURE OF

THE STORES PURCHASE COMMITTEE.

--:o:--

I. INTRODUCTORY.

1. The work of the Stores Purchase Committee begins when a demand for stores is received from an indenting officer or department. The Committee will thereafter proceed to purchase the stores in the manner to be indicated below and arrange for their delivery to the indenting department and obtain a certificate as to their correctness and quality.

II. PROCEDURE PRELIMINARY TO PURCHASE.

(a) Time & manner of preparation of indents.

2. Indents received from the Government departments may be:--

(i) Annual indents, i.e., statements showing the demand for various classes of goods usually required by the department for the year. These annual indents which will comprise the bulk of the items required to be purchased by the department each year should be prepared on the basis of the consumption during the previous three or five years and with reference to factors, if any, which justify an increase or decrease compared with the average.

(ii) Urgent demands: Indents relating to urgent demands which may arise at any time in the course of the year.

3. Annual indents should be prepared by each department and sent to the Stores Purchase Committee before the 1st July each year. These indents should be based upon the sanctioned budget and should be prepared allowing for the carrying over of stock for at least one quarter of the succeeding year.

4. Urgent indents may be sent at any time during the year as need arises but such indents should, as far as possible, be kept at a minimum.

5. Except in the case of sudden emergency which it may not be possible to foresee, a period of at least 3 months should invariably be allowed between the date the indent will reach the Stores Purchase Committee and the date on which it is desired that the stores should be delivered to the indenting department.

6. In the case of ordinary articles manufactured by more than one firm and required for ordinary purposes, indenting officers should enter in their indents only the names of the articles they require. There is however no objection to their naming in notes explanatory of their requirements the makes or brands which the supplies should resemble. They should also invariably explain the purposes for which the articles indented for are required and whenever practicable they should state the latitude that may be allowed to the Committee in varying the items.

7. In the case of articles of special character or required for a special purpose which for certain reasons is considered necessary to obtain from a particular maker or of which a particular maker makes a speciality, the name of such maker or firm from whom it is desired to obtain the articles should be given in the indent with reasons therefor

(b) Sanction for indents and allotment of provision to meet cost.

8. The responsibility for obtaining competent sanction for the purchase of stores in each case will entirely rest on the indenting officer who will in forwarding the indent to the Stores Purchase Committee clearly specify whether the sanction of Government or other competent authority to the purchase has been accorded to the purchase. He will also be responsible to see that the budget grant equivalent to the cost of purchase as estimated by him will be made available, as that the required amount are set aside for the purpose and are not utilized otherwise.

Note Certificate by Audit Office is considered to be necessary by the President.

9. (a) Indents for Indian made articles should be prepared and submitted in Form A appended to these rules.

(b) Indents for the purchase of foreign articles shall be sent in Form B appended to these rules.

10. Every indent for local or foreign purchases should be accompanied by a programme of supply and an estimate of cost involved.

(c) Treatment of indents by the Committee.

11. On receipt of the annual indents from the several departments, the Secretary to the Stores Purchase Committee will proceed to classify the articles and consolidate them into distinct groups, each suitable for a separate contract with a view to placing bulk orders, as far as possible.

12. In the case of such articles as cannot be bulked, purchases may be made as separate item, if the Committee considers such action necessary.

13. The Committee may at any time call upon the departments to furnish particulars of purchases made by them directly and without reference to the Committee.

III. PROCEDURE REGARDING PURCHASE.

14. The following procedure will be adopted by the Stores Purchase Committee in purchasing the stores:--

Except in the cases enumerated in Rules 26, 27 and 28 below, all purchases shall be made by inviting tenders which may be:--

(1) by advertisement (open tender), or

(2) by invitation to a limited number of Firms (limited tender), or

(3) by invitation to one Firm only (single tender or private purchase).

15. It will be within the discretion of the Committee to decide which of the above three ways shall be adopted in the case of any particular purchase.

16. For the purpose of inviting limited or single tenders, a register will be maintained by the Secretary under the various heads of supply of well known firms who are known to be willing and able to execute contracts. A selection of the firm or firms to whom invitation should be sent shall be made from such register. Action shall be taken to maintain full and efficient lists and every encouragement given to firms desirous of having their names registered after ascertaining their ability to execute contracts satisfactorily.

The list of approved firms now maintained in the Financial Secretariat will be transferred to the Stores Purchase Committee who will also deal with applications for registration in future.

17. Competitive tenders shall be invited except in the case of:-

(a) Patents and specialities,

(b) Comparatively small supplies, where the value of stores to be purchased does not exceed Rs 2,500/-,

(c) Highly finished work such as surgical and scientific apparatus.

In the case of these, single tenders may be invited from thoroughly reliable firms.

18. As far as possible arrangements shall be made for calling tenders simultaneously in Europe and India.

19. In the case of competitive tenders, a day and hour will be fixed by which time the tenders should be received. They shall be opened under the supervision of the President of the Committee. Single tenders may be opened as received. The quotations will then be checked and abstracts of each set of tenders prepared by the Secretary for being placed before the Committee for consideration.

20. After examination by the Committee of the abstracts of tenders received and comparing the price with the indent estimate of cost and after consulting, if need be, the indenting department concerned, the Committee shall decide which tender shall be accepted.

21. When time does not permit of the Committee being consulted in

in regard to the acceptance of a tender, the President of the Committee shall decide the question in consultation with the head of the indenting department concerned or where even such a course is not possible on his sole authority. All ~~xixxx~~ cases in which the President exercises this power shall be placed before the Committee for information at the next meeting.

22. When a tender has been accepted, both the firm whose tender is accepted as also the firms whose tenders are not accepted shall as soon as possible be informed to that effect.

23. When a tender is accepted, the conditions shall be embodied in a formal contract providing for the necessary penal clauses for breach of conditions. Copies of such contracts shall be supplied to the Audit Office and to the indenting department concerned.

24. The Committee may arrange for running contracts in the case of such articles as are in demand throughout the year. Such contracts shall provide for variation in the quantity of supplies up to 50 per cent and for supplies being made periodically at reasonable notice.

25. In purchasing stores, preference shall as far as possible be given firstly, to articles of Mysore production and next to articles produced or manufactured in other parts of India provided that prices and quality compare favourably with articles of similar ~~xuuuxxx~~ quality obtainable from outside Mysore or India as the case may be.

26. In the case of all articles to be obtained from abroad, arrangements for their purchase shall generally be made through the Consulting Engineers and Home Agents to Government in London in accordance with the agreement entered into with the firm by the Government.

27. In special cases, however, such orders may be placed directly with the supplying firm or firms.

28. The Committee may, for sufficient reason, purchase imported stores in India instead of obtaining them through the Consulting Engineers in London or obtain them from the manufacturers abroad

abroad directly or their branch offices or agents in India.

IV. Rules Re: correspondence with Consulting Engineers Etc. by Heads of Departments.

29. Under the Standing Orders of Government, all indents for stores to be purchased abroad, whether their value is within or in excess of the powers of sanction of the indenting officer, as also all indents for articles to be purchased locally when the value of the articles to be so purchased exceeds the limit of value prescribed by the Government should be sent to the Stores Purchase Committee for execution.

30. When information regarding ruling prices of plant, machinery or other equipment is required for the preparation of any estimate or project or when the opinion or advice of the Consulting Engineers as such or other manufacturing firms is required for the preparation of drawings, designs, specifications or selection of equipment in connection with railways, electrical plant or other engineering enterprises, the heads of the technical departments may correspond directly with the Consulting Engineers, or other manufacturing Firms.

31. After the estimates or projects have been prepared and sanctioned, all further action in respect of the purchase of stores etc., shall be taken through the Stores Purchase Committee and all correspondence relating to such purchases shall invariably be conducted only through the Committee.

32. Any information which the departments may secure regarding firms known to be able to supply the stores required by them as also any quotations obtained by them shall be placed at the disposal of the Committee.

V. Watching of execution of contracts.

33. The Secretary to the Committee shall watch delivery under each contract until it is completed. If delay occurs or is likely to occur in delivery, the Committee may extend the time if it considers such extension can be permitted. The Committee shall also be -

be competent to decide whether penalties for delay in accordance with the terms of the contract should be enforced or not and also whether the contract should be cancelled and purchase made against the - defaulting contractor.

Vi. Shipping Documents.

34. In all cases in which stores are purchased abroad, arrangements shall be made to obtain three sets of shipping documents. One set shall be caused to be forwarded at the earliest possible date to the Receiving Agents to be appointed by the Committee, one set will be caused to be similarly sent to the indenting officer and the third set to the Secretary to the Committee. On receipt of the shipping documents, the indenting officer may issue such instructions as he considers necessary to the Receiving Agents in the matter of the transmission of packages, customs duty to be paid etc., copies of such correspondence being simultaneously forwarded to the Secretary.

VII. P a y m e n t.

35. Invoices (showing the cost of the stores including packing and freight) and bills for the supply of stores shall be obtained in duplicate by the Secretary to the Committee and forwarded to the - indenting officer for verification that the stores for which payment is claimed are satisfactory and correct as to quantities and have been received and taken to stock. One set of the invoice and the bill will be retained by the indenting officer and the other set with the certificate as above will be returned without delay to the Secretary who will forward them to the Comptroller for arranging payment. In cases where payment against shipping documents or by instalments is stipulated in a contract, the Secretary shall watch deliveries until the contract is fully and satisfactorily executed. Every care shall be taken that payment is arranged for only in accordance with the terms of a contract and that no delay occurs in payment involving the payment of interest on such delayed payments.

36. The XXXxxxx Committee shall ensure that only the correct

correct EN rate of customs duty leviable under the law is paid on all imported stores and that claims for refund are preferred in time.

VIII. Exemptions from the Stores Purchase Rules.

37. The Committee may exempt any particular class or classes of stores from the operation of these rules and also fix a financial limit within which purchases of such goods may be made without reference to the Committee.

IX. Powers of the President of the Committee.

38. In cases of emergency where it is not possible to obtain the views of the Committee on any particular question or questions, the President shall be competent to decide such questions and take all such action as he deems necessary on behalf of the Committee.

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FORM A.

.....Department.

No. and date of sanction.....

Indent for the purchase of Stores for the year 192 — .

Description of Articles	Accurate specification	Trade name, if any	Quantity required	Estimated cost	Name of manufacturer	Whether delivery is desired in whole or in periodical instalments	If the article is proposed to be purchased from any particular firm, address of the Firm	Remarks, points

Mono W.D 1140—GP.D—1,000—14-12-22.

FORM B.

Department.....

No. and date of sanction of estimate by the Government or other competent authority.

Indent for purchases of foreign articles.

Description of Articles	Trade name	Accurate specification	Purpose for which it is required	Name of manufacturer	Quantity desired	If delivery is by instalments		Estimate of anticipated cost	Is quotation required before order is finally placed	Port or Ry. Stn. at which delivery is sought	Designation of consignee	Any other points requiring mention. (Mention here if it is desired that the purchase is required to be made by cable.)
						Quantity deire dn e ach instalment	Date by which each instalment is to be delivered					
		3	4	5	6	7	8	9	10		11	12

Mono W D 1140--GPB--000,1--14-12

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS.

G. O. No. G. 13082-13140—G. M. 170-23-2, dated 28th March 1924.

Stores Purchase Committee.

Approves of the rules of procedure and functions of the ——, Bangalore.

READ—

Government Order No. G. 61-120—G. M. 121-23-1, dated 22nd October 1923, appointing a Stores Purchase Committee for the purchase of foreign articles required for all Government Departments of the State.

2. Letter No. S. P. C. 670, dated 4th February 1924, from the Secretary, Stores Purchase Committee, forwarding for approval a set of rules *re* the functions and procedure of the Committee in so for as they relate to the purchase and supply of stores for the several departments of Government.

ORDER No. G. 13082-13140—G. M. 170-23-2, DATED 28TH MARCH 1924.

The rules, as slightly revised, are approved and printed as an annexure to this order for the guidance of all the officers concerned.

K. MATTHAN,
Chief Secretary to Government.

To—The Secretary, Stores Purchase Committee.
The Heads of Departments.
The Comptroller to Government.
The Secretaries to Government.
The Deputy Commissioners of Districts.

Exd.—K. K.

No. G. 13082-13140—G. M. 170-23-2, DATED 28TH MARCH 1924.

GOVERNMENT OF MYSORE.

Stores Purchase Committee.

RULES OF PROCEDURE AND FUNCTIONS OF THE STORES PURCHASE COMMITTEE.

I. INTRODUCTORY.

1, The work of the Stores Purchase Committee begins when a demand for stores is received from an indenting officer or department. The Committee will thereafter proceed to purchase the stores in the manner to be indicated below and arrange for their delivery to the indenting department and obtain a certificate as to their correctness and quality.

II. PROCEDURE PRELIMINARY TO PURCHASE.

(a) Time and manner of preparation of indents.

2. Indents received from the Government departments may be :—

(i) *Annual indents, i.e.* statements showing the demand for various classes of goods usually required by the department for the year. These annual indents which will comprise the bulk of the items required to be purchased by the department each year should be prepared on the basis of the consumption during the previous three or five years and with reference to factors, if any, which justify an increase or decrease compared with the average.

(ii) *Urgent demands*:—Indents relating to urgent demands which may arise at any time in the course of the year.

3. Annual indents should be prepared by each department and sent to the Stores Purchase Committee before the 1st July each year. These indents should be based upon the sanctioned budget and should be prepared allowing for the carrying over of stock for at least one quarter of the succeeding year.

4. Urgent indents may be sent at any time during the year as need arises, but such indents should, as far as possible, be kept at a minimum.

5. Except in the case of sudden emergency which it may not be possible to foresee, a period of at least three months should invariably be allowed between the date the indent will reach the Stores Purchase Committee and the date on which it is desired that the stores should be delivered to the indenting department.

6. In the case of ordinary articles manufactured by more than one firm and required for ordinary purposes, indenting officers should enter in their indents only the names of the articles they require. There is however no objection to their naming in notes explanatory of their requirements, the makes or brands which the supplies should resemble. They should also invariably explain the purposes for which the articles indented for are required and whenever practicable they should state the latitude that may be allowed to the Committee in varying the items.

7. In the case of articles of special character or required for a special purpose which for certain reasons is considered necessary to obtain from a particular maker or of which a praticular maker makes a speciality, the name of such maker or firm from whom it is desired to obtain the articles should be given in the indent with reasons therefor.

(b) Sanction for indents and allotment of provision to meet cost.

8. The responsibility for obtaining competent sanction for the purchase of stores in each case will entirely rest on the indenting officer who will in forwarding the indent to the Stores Purchase Committee clearly specify whether the sanction of Government or other competent authority to the purchase has been accorded to the purchase. He will also be responsible to see that the budget grant equivalent to the cost of purchase as estimated by him will be made available, that the required amounts are set aside for the purpose and are not utilized otherwise.

9. (*a*) Indents for Indian made articles should be prepared and submitted in Form A appended to these rules.

(*b*) Indents for the purchase of foreign articles shall be sent in Form B appended to these rules.

10. Every indent for local or foreign purchases should be accompanied by a programme of supply and an estimate of cost involved.

(*c*) *Treatment of the indents by the Committee.*

11. On receipt of the annual indents from the several departments, the Secretary to the Stores Purchase Committee will proceed to classify the articles and consolidate them into distinct groups, each suitable for a separate contract with a view to placing bulk orders as far as possible.

12 In the case of such articles as cannot be bulked, purchases may be made as separate item, if the Committee considers such action necessary.

13. The Committee may at any time call upon the departments to furnish particulars of purchases made by them directly and without reference to the Committee.

III. PROCEDURE REGARDING PURCHASE.

14. The following procedure will be adopted by the Stores Purchase Committee in purchasing the stores:—

Except in the cases enumerated in Rules 26, 27 and 28 below, all purchases shall be made by inviting tenders which may be:—

(1) by advertisement (open tender), or
(2) by invitation to a limited number of firms (limited tender), or
(3) by invitation to one firm only (signle tender or private purchase).

15. It will be within the discretion of the Committee to decide which of the above three ways shall be adopted in the case of any particular purchase.

16. For the purpose of inviting limited or single tenders, a register will be maintained by the Secretary under the various heads of supply of well-known firms who are known to be willing and able to execute contracts. A selection of the firm or firms to whom invitation should be sent shall be made from such register. Action shall be taken to maintain full and efficient lists and every encouragement given to firms desirous of having their names registered after ascertaining their ability to execute contracts satisfactorily.

The list of approved firms now maintained in the Financial Secretariat will be transferred to the Stores Purchase Committee who will also deal with applications for registration in future.

17. Competitive tenders shall be invited except in the case of:—

(*a*) Patents and specialities,
(*b*) Comparatively small supplies, where the value of stores to be purchased does not exceed Rs. 2,500,
(*c*) Highly finished work such as surgical and scientific apparatus.

In the case of these, single tenders may be invited from thoroughly reliable firms.

18. As far as possible, arrangements shall be made for calling tenders simultaneously in Europe and India.

19. In the case of competitive tenders, a day and hour will be fixed by which time, the tenders should be received. They shall be opened under the supervision of the President of the Committee. Single tenders may be opened as received. The quotations will then be checked and abstracts of each set of tenders prepared by the Secretary for being placed before the Committee for consideration.

20. After examination by the Committee of the abstracts of tenders received and comparing the price with the indent estimate of cost and after consulting, if need be, the indenting department concerned, the Committee shall decide which tender shall be accepted.

21. When time does not permit of the Committee being consulted in regard to the acceptance of a tender, the President of the Committee shall decide the question in consultation with the head of the indenting department concerned or where even such a course is not possible on his sole authority. All cases in which the President exercises this power shall be placed before the Committee for information at the next meeting.

22. When a tender has been accepted, both the firm whose tender is accepted as also the firms whose tenders are not accepted shall as soon as possible be informed to that effect.

No. G. 13082-13140—G. M. 170-23-2, DATED 28TH MARCH 1924.

23. When a tender is accepted, the conditions shall be embodied in a formal contract providing for the necessary penal clauses for breach of conditions. Copies of such contracts shall be supplied to the Audit Office and to the indenting department concerned.

24. The Committee may arrange for running contracts in the case of such articles as are in demand throughout the year. Such contracts shall provide for variation in the quantity of supplies up to 50 per cent and for supplies being made periodically at reasonable notice.

25. In purchasing stores, preference shall as far as possible be given firstly, to articles of Mysore production and next to articles produced or manufactured in other parts of India provided that prices and quality compare favourably with articles of similar quality obtainable from outside Mysore or India as the case may be.

26. In the case of all articles to be obtained from abroad, arrangements for their purchase shall generally be made through the Consulting Engineers and Home Agents to Government in London in accordance with the agreement entered into with the firm by the Government.

27. In special cases, however, such orders may be placed directly with the supplying firm or firms.

28. The Committee may, for sufficient reason, purchase imported stores in India instead of obtaining them through the Consulting Engineers in London or obtain them from the manufacturers abroad directly or their branch offices or agents in India.

IV. RULES RE: CORRESPONDENCE WITH CONSULTING ENGINEERS, ETC., BY HEADS OF DEPARTMENTS.

29. Under the Standing Orders of Government, all indents for stores to be purchased abroad, whether their value is within or in excess of the powers of sanction of the indenting officer, as also all indents for articles to be purchased locally when the value of the articles to be so purchased exceeds the limit of value prescribed by the Government should be sent to the Stores Purchase Committee for execution.

30. When information regarding ruling prices of plant, machinery or other equipment is required for the preparation of any estimate or project or when the opinion or advice of the Consulting Engineers as such or other manufacturing firms is required for the preparation of drawings, designs, specifications or selection of equipment in connection with railways, electrical plant or other engineering enterprises, the heads of the technical departments may correspond directly with the Consulting Engineers, or other manufacturing firms.

31. After the estimates or projects have been prepared and sanctioned, all further action in respect of the purchase of stores, etc., shall be taken through the Stores Purchase Committee and all correspondence relating to such purchases shall invariably be conducted only through the Committee.

32. Any information which the departments may secure regarding firms known to be able to supply the stores required by them as also any quotations obtained by them shall be placed at the disposal of the Committee.

V. WATCHING OF EXECUTION OF CONTRACTS.

33. The Secretary to the Committee shall watch delivery under each contract until it is completed. If delay occurs or is likely to occur in delivery, the Committee may extend the time if it considers such extension can be permitted. The Committee shall also be competent to decide whether penalties for delay in accordance with the terms of the contract should be enforced or not and also whether the contract should be cancelled and purchase made against the defaulting contractor.

VI. SHIPPING DOCUMENTS.

34. In all cases in which stores are purchased abroad, arrangements shall be made to obtain three sets of shipping documents. One set shall be caused to be forwarded at the earliest possible date to the Receiving Agents to be appointed by the Committee, one set will be caused to be similarly sent to the indenting officer and the third set to the Secretary to the Committee. On receipt of the shipping documents, the indenting officer may issue such instructions as he considers necessary to the Receiving Agents in the matter of the transmission of packages, customs duty to be paid, etc., copies of such correspondence being simultaneously forwarded to the Secretary.

VII. PAYMENT.

35. Invoices (showing the cost of the stores including packing and freight) and bills for the supply of stores shall be obtained in duplicate by the Secretary to the Committee and forwarded to the indenting officer for verification that the stores for which payment

is claimed are satisfactory and correct as to quantities and have been received and taken to stock. One set of the invoice and the bill will be retained by the indenting officer and the other set with the certificate as above will be returned without delay to the Secretary who will forward them to the Comptroller for arranging payment. In cases where payment against shipping documents or by instalments is stipulated in a contract, the Secretary shall watch deliveries until the contract is fully and satisfactorily executed. Every care shall be taken that payment is arranged for only in accordance with the terms of a contract and that no delay occurs in payment involving the payment of interest on such delayed payments.

36. The Committee shall ensure that only the correct rate of customs duty leviable under the law is paid on all imported stores and that claims for refund are preferred in time.

VIII. EXEMPTIONS FROM THE STORES PURCHASE RULES.

37. The Committee may exempt any particular class or classes of stores from the operation of these rules and also fix a financial limit within which purchases of such goods may be made without reference to the Committee.

IX. POWERS OF THE PRESIDENT OF THE COMMITTEE.

38. In cases of emergency where it is not possible to obtain the views of the Committee on any particular question or questions, the President shall be competent to decide such questions and take all such action as he deems necessary on behalf of the Committee.

FORM A.

.....Department. No. and date of sanction.....

Indent for the purchase of Stores for the year 192 — .

Description of Articles	Accurate specification	Trade name, if any	Quantity required	Estimated cost	Name of manufacturer	Whether delivery is desired in whole or in periodical instalments	If the article is proposed to be purchased from any particular firm, address of the firm	Remarks

FORM B.

Department.....

No. and date of sanction of estimate by the Government or other competent authority.

Indent for purchases of foreign articles.

Description of Articles	Trade name	Accurate specification	Purpose for which it is required	Name of manufacturer	Quantity desired	If delivery is by instalments		Estimate of anticipated cost	Port or Ry. Stn. at which delivery is sought	Designation of consignee	Any other points requiring mention. (Mention here if it is desired that the purchase is required to be made by cable.)
						Quantity desired in each instalment	Date by which each instalment is to be delivered				

W D 1936—GPB—,645—15-4-24